

# Annual Planning Information and Workforce Analysis Reports: West Michigan

State of Michigan

Department of Technology, Management and Budget

Bureau of Labor Market Information and Strategic Initiatives

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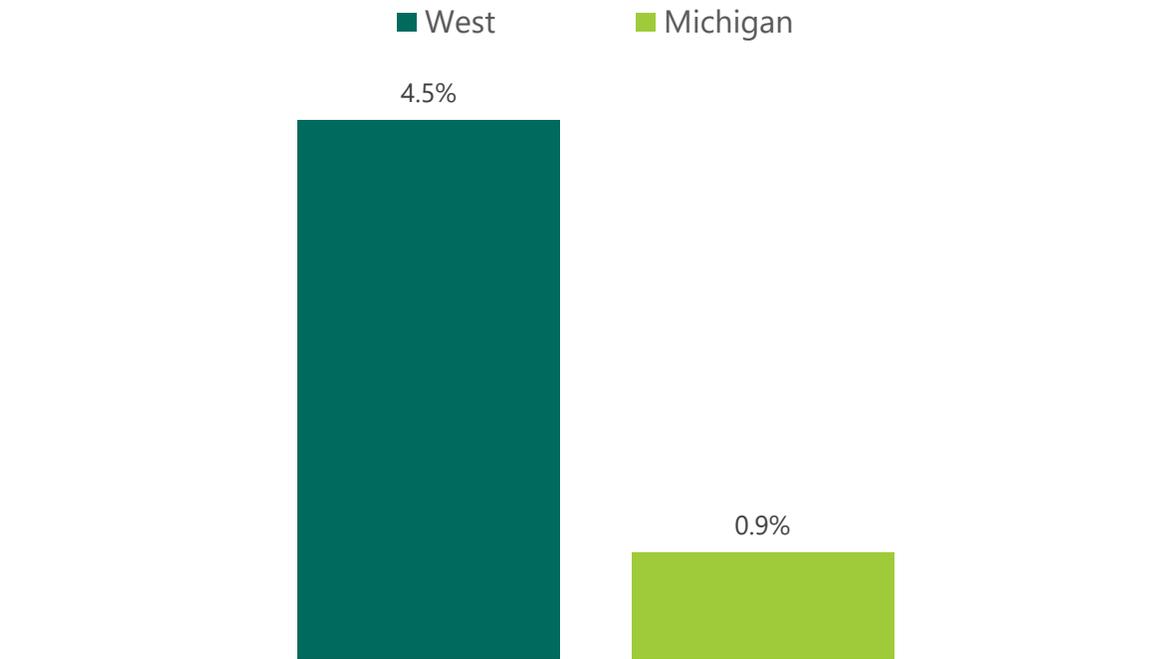
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# Population Trends and Characteristics

Tables 1-3

# West Michigan Prosperity Region population up 4.5 percent between 2011 and 2017, five times the statewide average.

Population Change (2011-2017)



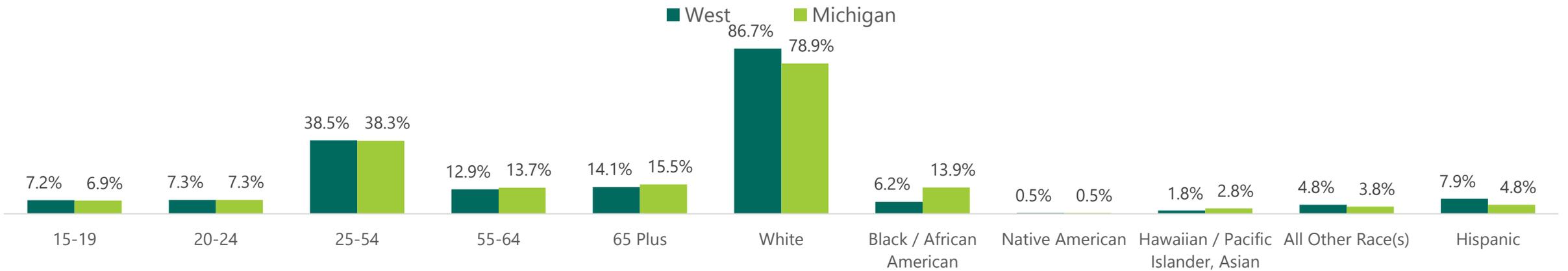
Source: U.S. Census Bureau, Annual Population Estimates

- The most recent estimates from the U.S. Census Bureau show the population in West Michigan at nearly 1,596,000 in 2017. This is up about 26,000 persons since 2015. **(Table 1)**
- The region had a 4.5 percent increase in its population from 2011 to 2017, a larger percentage rise than the state overall which edged higher 0.9 percent over the same period. The growth amounts to 72,200 more residents for the region in 2017 than in 2011. Nationwide, the population rose by 4.5 percent over this period. **(Table 1)**
- Kent County, the largest county in the region, saw the largest percentage gain in population at 6.2 percent (+40,400 persons). **(Table 1)**
- Four mostly rural counties experienced declines in population (-320 individuals). These included Mecosta, Oceana, Newaygo, and Osceola Counties.

# West Michigan residents somewhat more likely to be white than state overall, but similar in age.

- The distribution of age in West Michigan is similar to that of the state as a whole, with the majority of individuals of working age (52 percent). **(Table 2)**
- West Michigan’s residents were 87 percent white, as compared to 79 percent in Michigan overall. This proportion was reflected by less representation of African Americans in western Michigan. In West Michigan, 6.2 percent of residents were African American versus 14 percent in Michigan. **(Table 2)**
- The age distribution of people in West Michigan are in line with that of the state overall. Two in five individuals are between the age of 25 and 54 in the region. **(Table 2)**

**Population by Age, Race / Ethnicity**

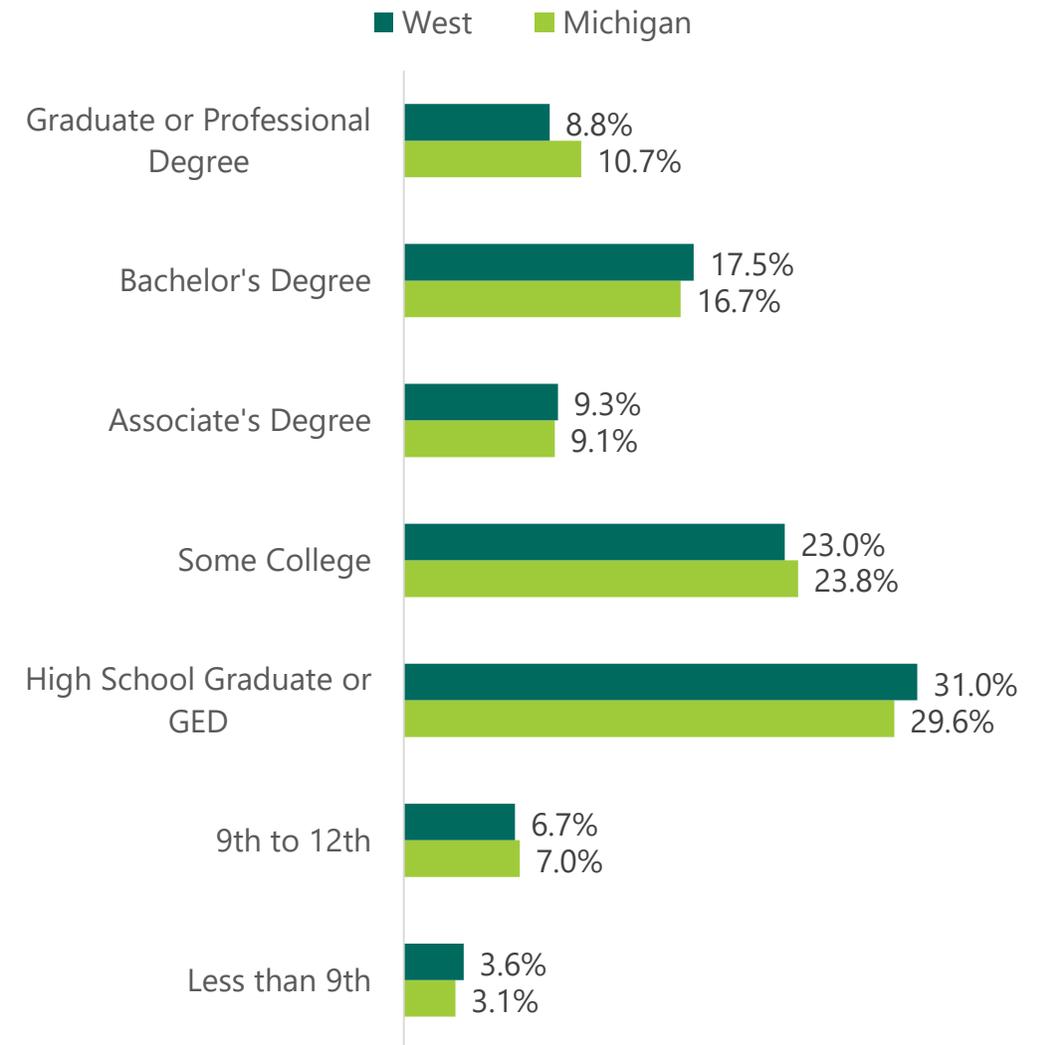


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey 5-Year Estimates

## *West Michigan residents hold slightly higher share of high school diplomas and bachelor's degrees than state.*

- A region's educational attainment is based on the number of residents 25 and older with various education levels. In West Michigan, there are about 1,021,000 residents aged 25 or older; among them, about 317,000 individuals, or 31 percent held a high school diploma or equivalent, slightly higher than the 30 percent statewide. **(Table 3)**
- Those individuals with a college degree of some kind made up 36 percent of the 25+ population in West Michigan, slightly underperforming Michigan overall at 37 percent. **(Table 3)**

### Educational Attainment



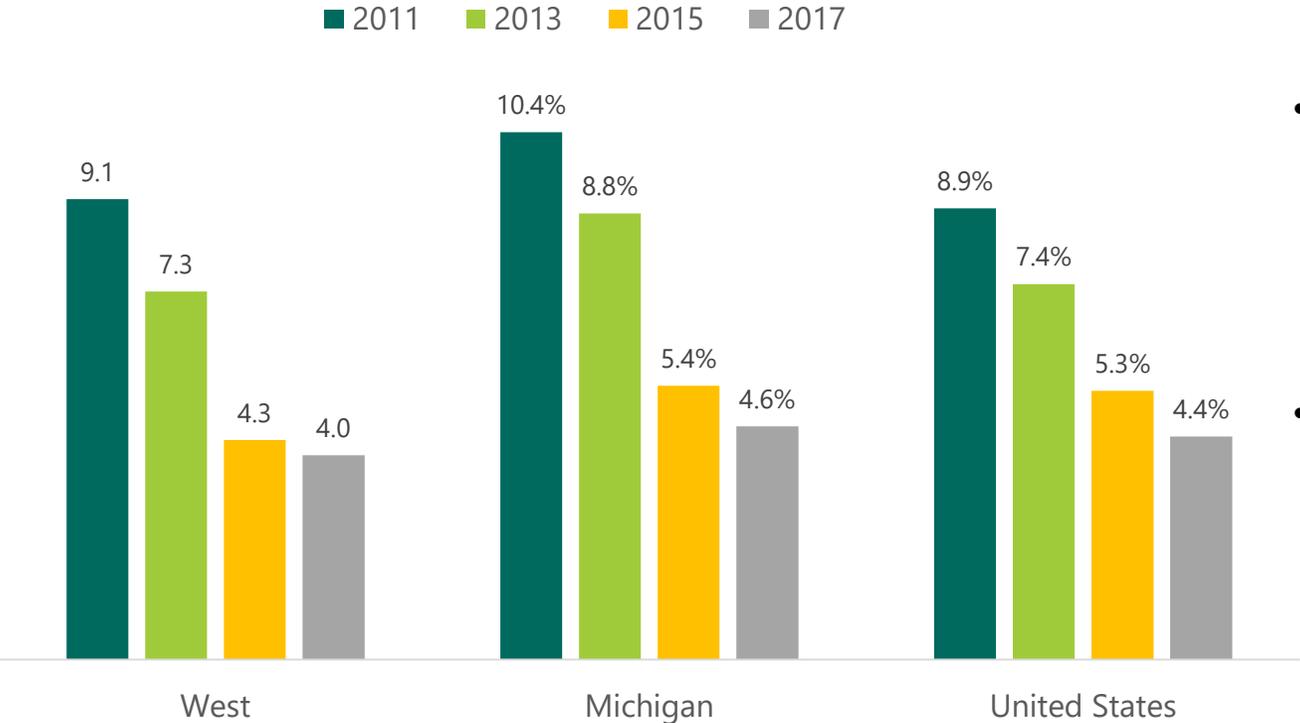
Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

# Labor Force and Employment Trends and Characteristics

Tables 4-8 and 12

# Unemployment lower since 2010, labor force and employment above 2010 levels.

Unemployment Rates



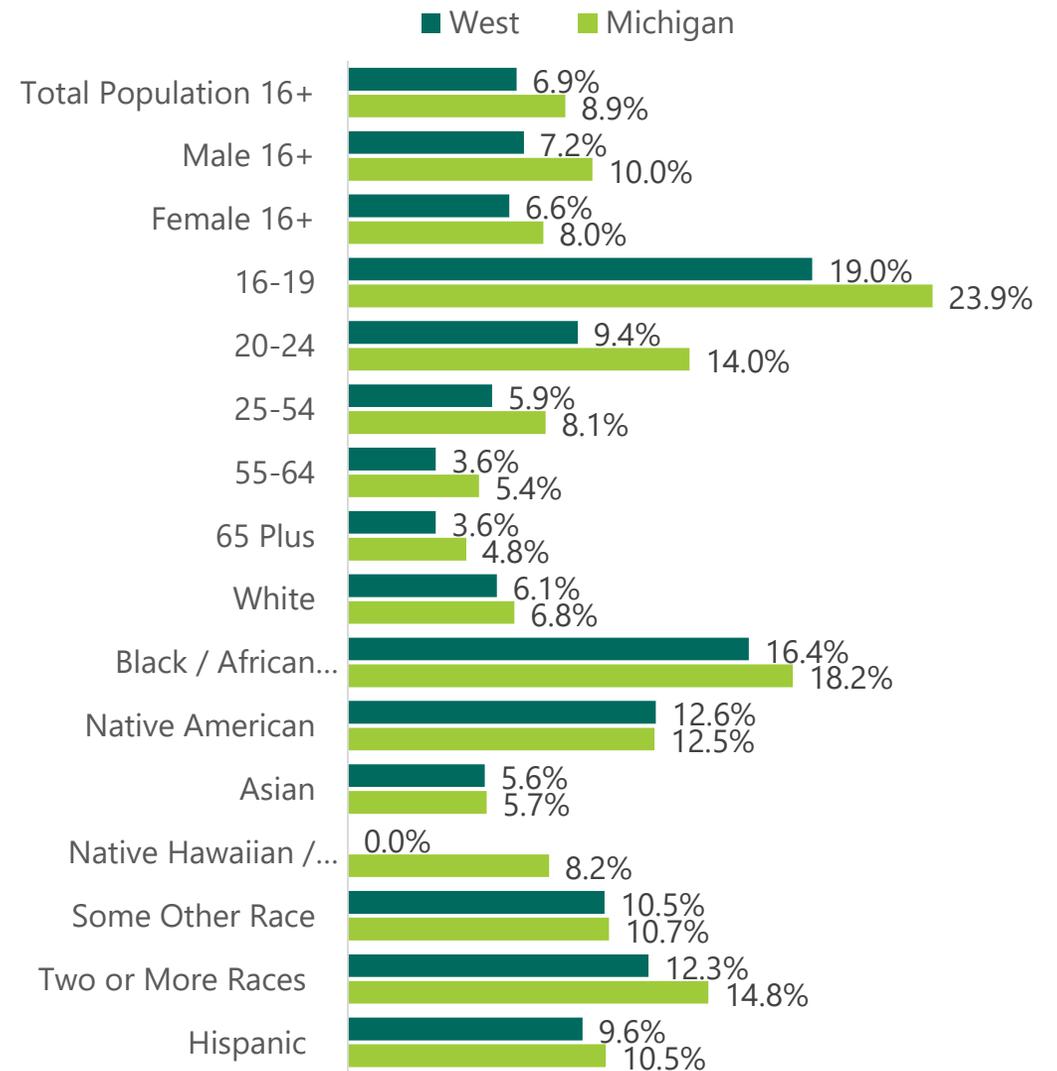
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Local Area Unemployment Statistics (LAUS)

- Unemployment rate movements for West Michigan followed state and national trends, dropping significantly between 2011 and 2017. **(Table 6)**
- West Michigan generally enjoys an unemployment rate lower than the statewide average. In 2017, the unemployment rate was at 4.0 percent as compared to 4.6 percent in Michigan and 4.4 percent in the U.S.
- Over the 2011-2017 period, West Michigan’s jobless rate fell by 5.1 percentage points and the count of unemployed individuals dropped by 35,400 or 52 percent. **(Tables 6 and 12)**
- The number of people participating in the labor force and the number of employed individuals have both boomed since 2010, increasing by 9.1 percent and 15 percent respectively. **(Tables 4 and 5)**

# Regional jobless rates elevated for youth and young adults as well as some minority groups.

- Generally, unemployment rates have been dropping as the recovery from the Great Recession continues. This is reflected in continual declines in the unemployment rate for demographic categories.
- The jobless rate for the West Michigan population 16+ (6.9 percent) was less than the state rate (8.9 percent) for the 2012-2016 period. **(Table 7)**
- According to estimates from the U.S. Census Bureau, there were more males than females participating in the West Michigan labor market. However, males experienced a higher unemployment rate at 7.2 percent, compared to 6.6 percent for females. **(Table 7)**
- Regional jobless rates were lower for White, Black, and Asian individuals versus the state. African American people had the highest jobless rate among racial groups, marked at 16.4 percent over the 2012-2016 period. **(Table 7)**

## Unemployment Rates by Sex, Age, and Race / Ethnicity



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

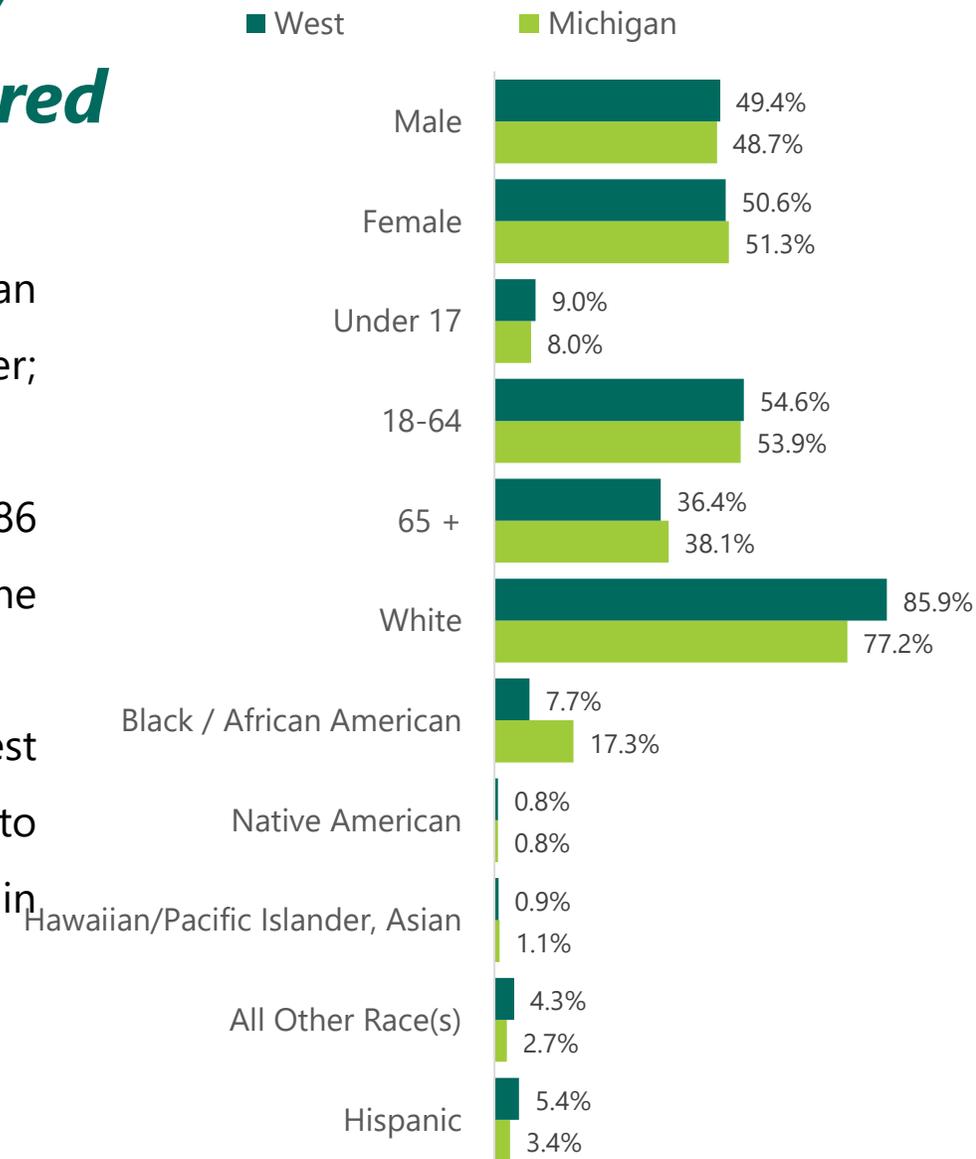
# Individuals with Barriers to Employment

Tables 27-36

# Racial share of individuals with a disability weighed heavily toward white when compared to Michigan overall.

- According to the U.S. Census Bureau, about 199,000 people in West Michigan report a disability. Close to 36 percent of them were 65 years of age and older; slightly lower than the state average of 38 percent. **(Table 28)**
- Nine out of ten individuals with disabilities in the region were white (86 percent), a reflection of the group's large share of total population in the region. **(Table 28)**
- The percentage of male and female individuals with disabilities in West Michigan is on par with the state average in both categories. The male to female share of individuals with disabilities in the region was 50-50; in Michigan the share is 49 to 51 percent. **(Table 28)**

## Individuals with a Disability

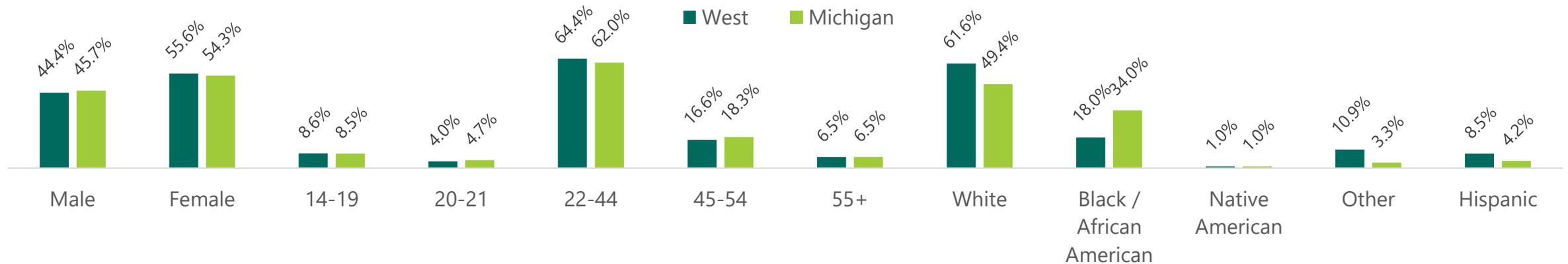


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

# Majority of assistance program registrants concentrated in the working age and white demographics.

- According to the Michigan Department of Health and Human Services, roughly 46,900 assistant program recipients were in West Michigan counties as of June 2017, down about 18,500 since December 2014. **(Table 30)**
- The majority of the assistance program registrants were in the prime working age of 22 to 44 (about 64 percent). **(Table 30)**
- Approximately 62 percent of the registrants were White and 18 percent were Black or African American. **(Table 30)**

**Assistance Program Recipients by Sex, Age, and Race / Ethnicity**

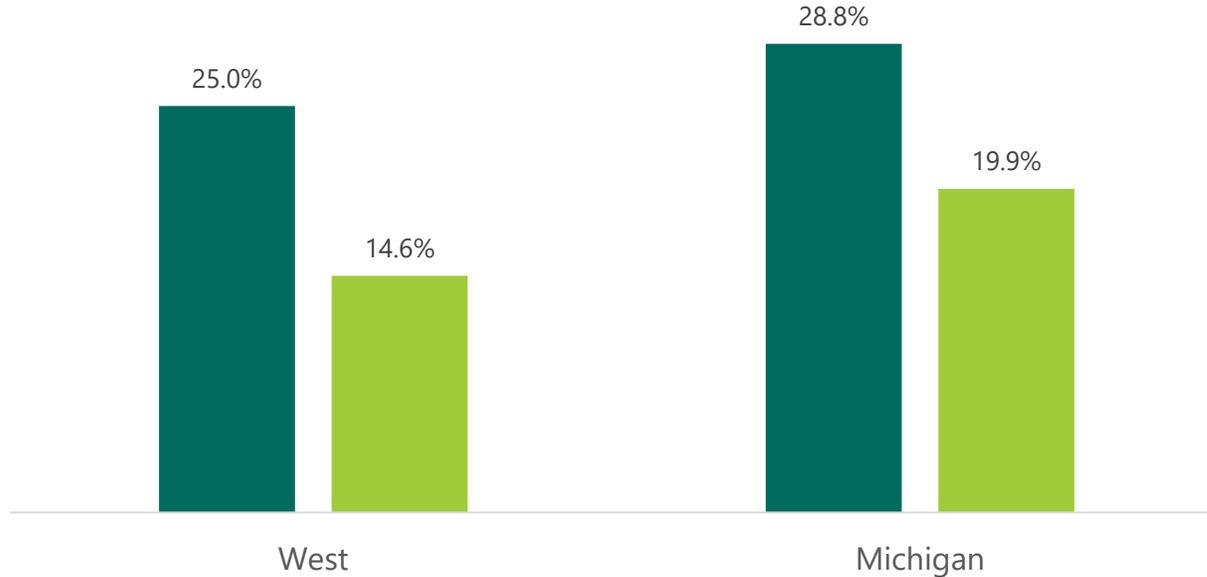


Source: Michigan Department of Health and Human Services

# Long-term joblessness third lowest among Prosperity Regions.

Percentage Long-Term Unemployed of Total Unemployed

■ 2015 ■ 2017



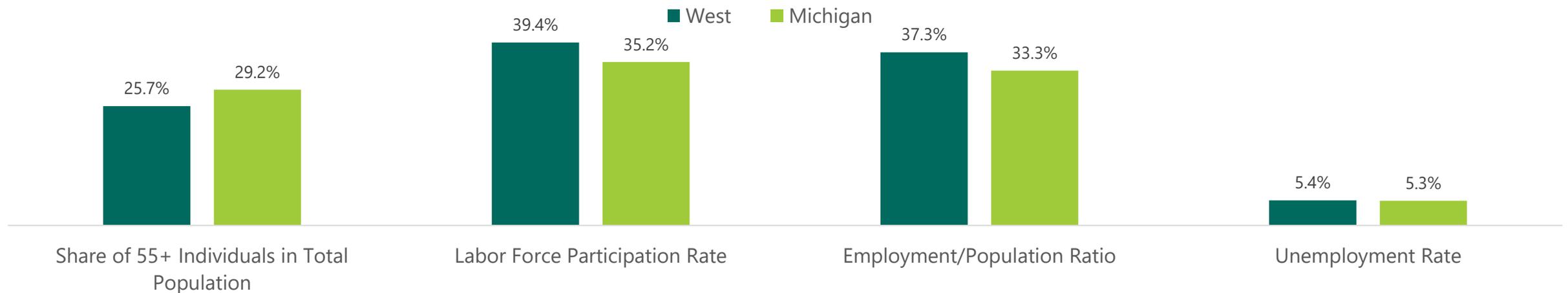
Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives

- Since 2015, the long term unemployment rate has fallen from 25 percent to 15 percent.
- The number of long-term unemployed individuals, or the share of individuals out of work for 27 weeks or more, has made a significant recovery since 2010. Despite this, long-term unemployment remains an issue in Michigan and in West Michigan, as the number and share of long-term unemployed has remained stubbornly high despite the economic recovery. **(Table 34)**
- In 2010, 49 percent of unemployed West Michigan residents were considered long-term unemployed. **(Table 34)**
- The number of long-term unemployed individuals in the West Michigan prosperity region dropped from 8,700 to 4,800 between 2015 and 2017. **(Table 34)**

# West Michigan's older workers are participating in the labor force at a higher rate than the state overall.

- The labor force participation rate for older workers is higher in West Michigan compared to the Michigan rate by approximately four percentage points. The percentage of older workers employed among all residents 55 years and older is at 37 percent; four points above the Michigan rate of 33 percent. **(Table 35)**
- West Michigan has relatively fewer 55+ individuals than the state as a whole. Michigan stands at 26 percent, while West Michigan recorded a share of 29 percent. **(Table 35)**

Labor Force Status of Older Workers

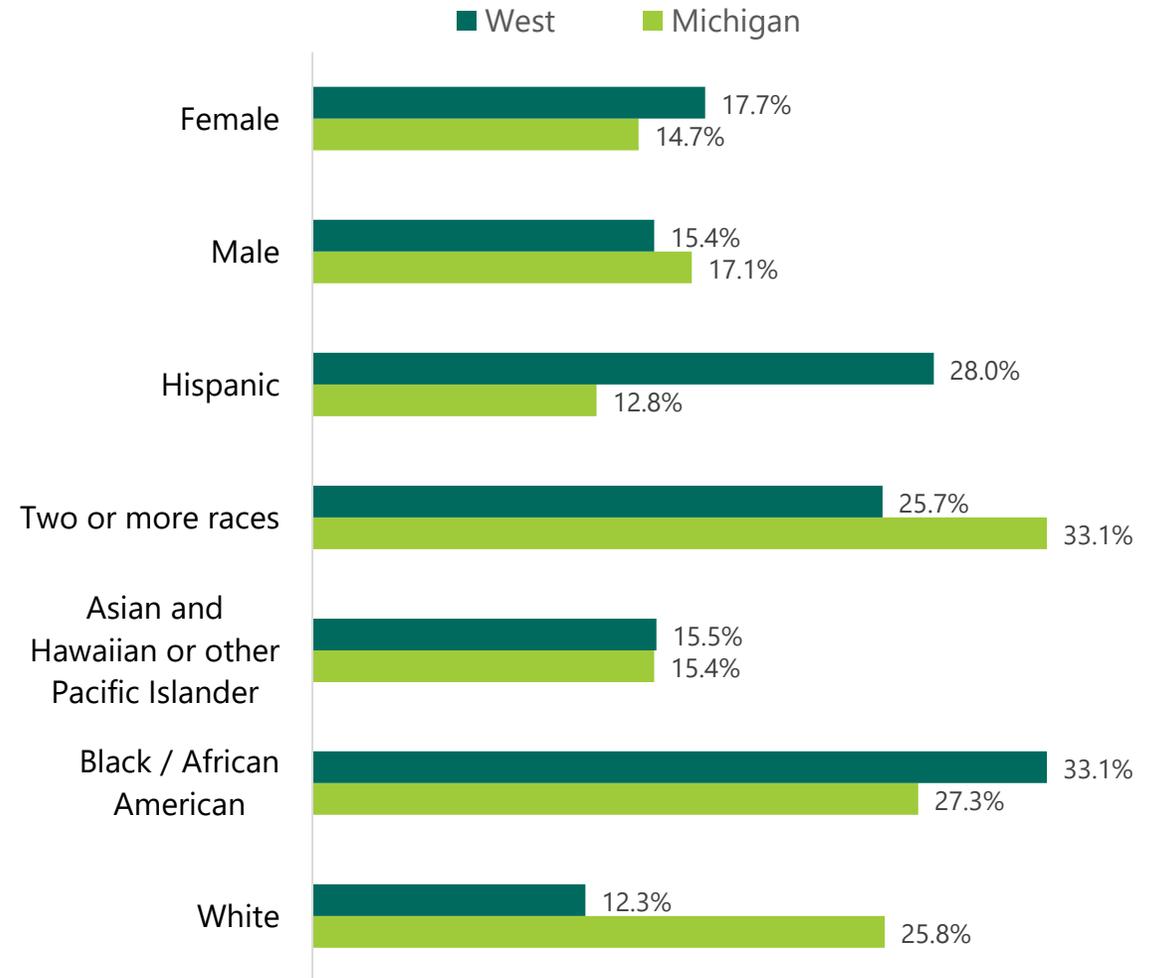


Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

## Poverty rate at 17 percent in the West Michigan region, similar to the statewide rate.

- The U.S. Census Bureau estimated approximately 258,400 individuals (or 17 percent of the population) lived below the poverty line in West Michigan. This was similar to the statewide poverty rate. **(Table 36)**
- African American individuals had the highest poverty rate (33 percent), followed by individuals with two or more races (25.7 percent). **(Table 36)**
- The share of women living in poverty is higher than that of males in West Michigan: 18 percent versus 15 percent respectively. **(Table 36)**

### Poverty by Sex and Race / Ethnicity



Source: U.S. Bureau of the Census, 2012-2016 American Community Survey Five-Year Estimates

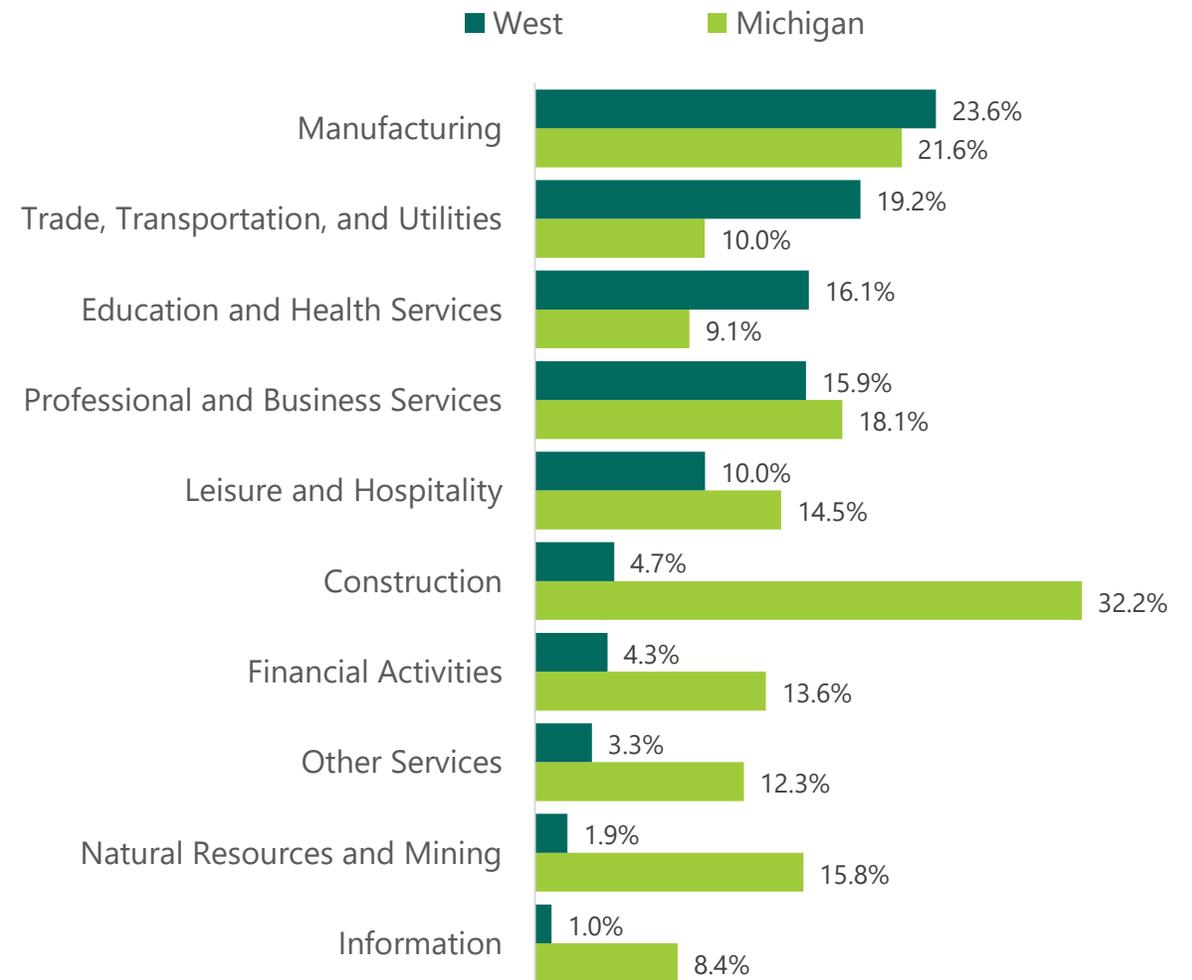
# Existing and Emerging In-Demand Industry Sectors and Occupations

Tables 8-11 and 17-26

# Nearly 60 percent of regional employment concentrated in top three largest industries.

- In the 2<sup>nd</sup> quarter of 2017, *Manufacturing* was the region's largest industry, employing just under one in four of the region's workers. The region has seen tremendous growth in manufacturing jobs during the recovery. The share of employment in *Manufacturing* surpasses that of the state by 2 percent. **(Table 8)**
- After *Manufacturing*, the region's largest industries are *Trade, transportation, and utilities* followed by *Education and health services*. **(Table 8)**
- The 2<sup>nd</sup> quarter is used in this analysis because it is the quarter least-affected by seasonal patterns. Seasonal ebbs and flows are especially influential on regional industry employment, causing variance among *Education and health service* occupations and other important industries throughout the year. **(Table 8)**

Distribution of Industry Jobs,  
2<sup>nd</sup> Quarter 2017

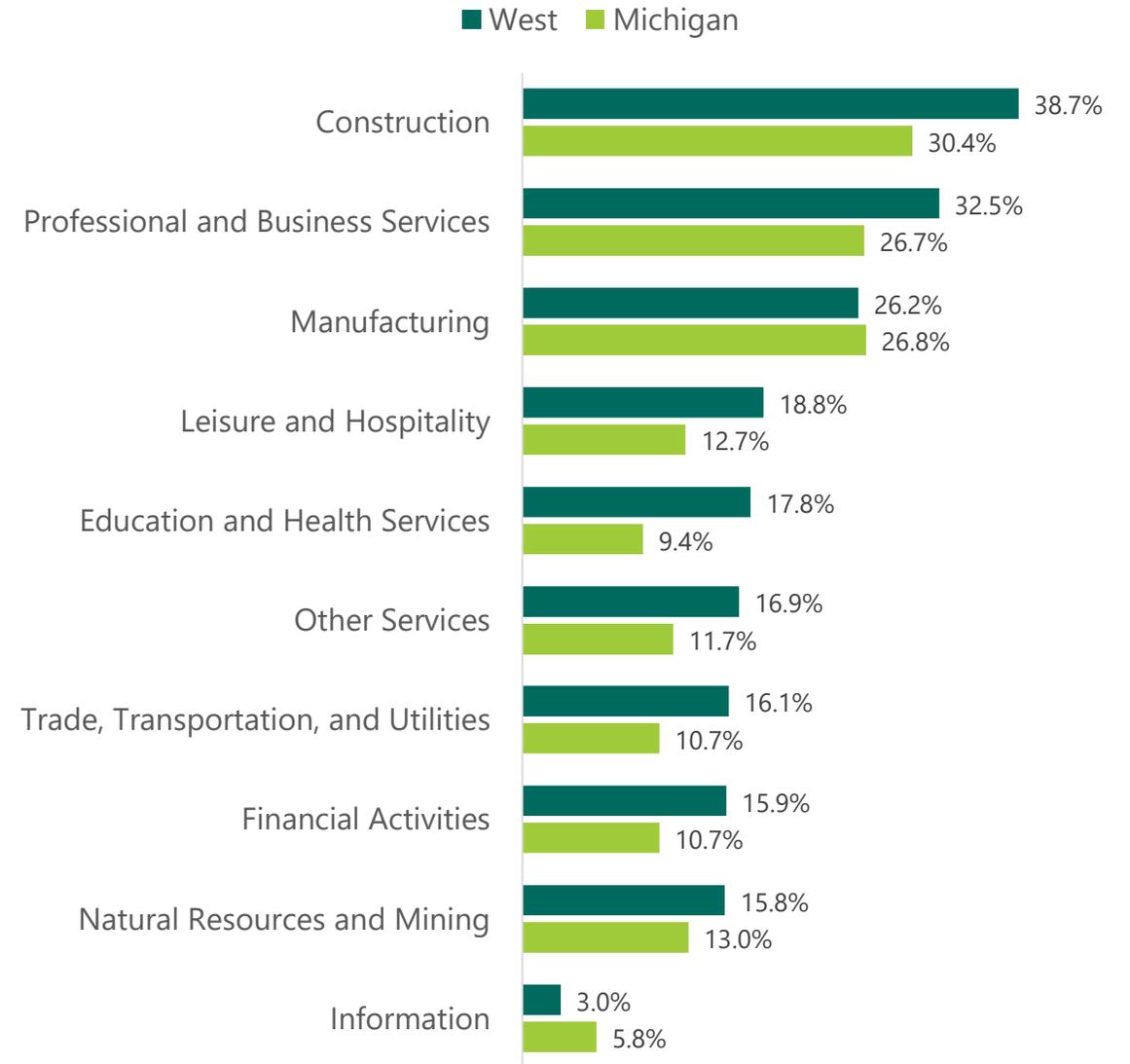


Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

# Construction and manufacturing experience large growth in jobs.

- *Construction* grew by 39 percent between 2011 and 2017, while *Professional and business services* grew at a rate of 33 percent and *Manufacturing* increased by 26 percent. These three industries were the largest growing in both Northwest Michigan and the state overall. **(Table 8)**
- West Michigan outperformed the state in private sector job growth in every industry cluster with the exception of *Professional and business services* and *Information*. **(Table 8)**

## Private Sector Job Percent Change 2011-2017



Source: DTMB, Bureau of Labor Market Information and Strategic Initiatives, Quarterly Census of Employment and Wages (QCEW)

# Online job postings reach 19,600 in 2<sup>nd</sup> quarter 2017.

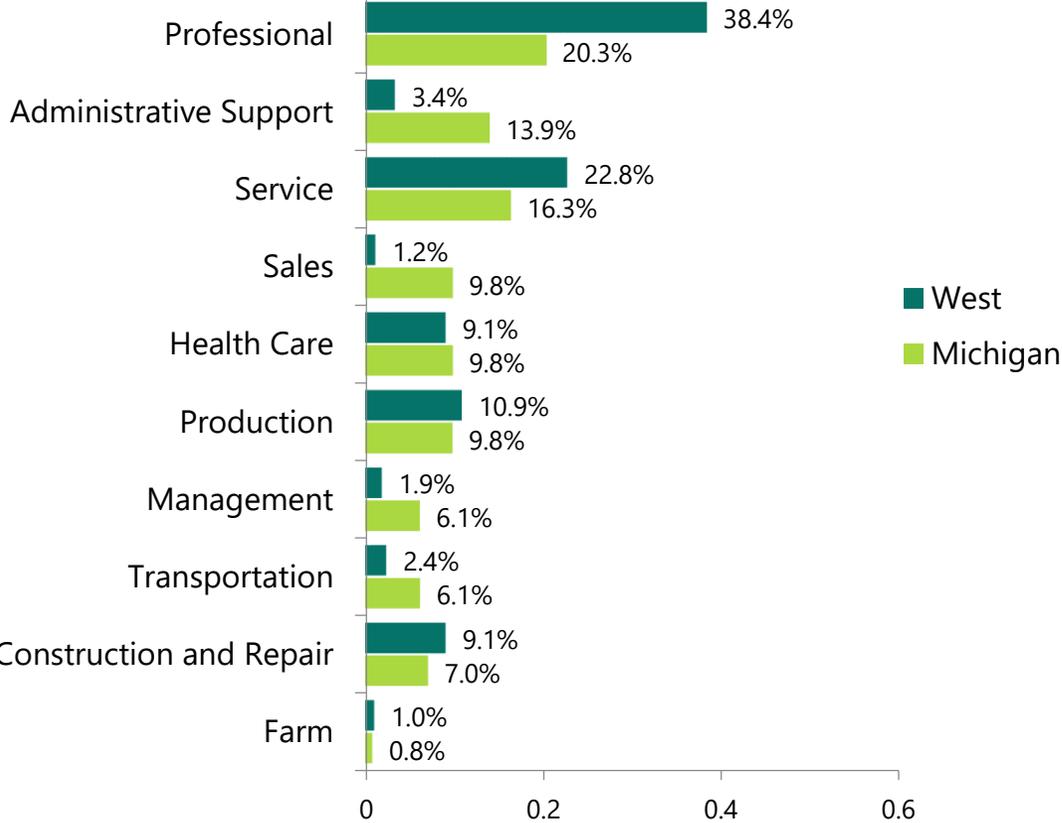
Online Advertised Job Postings – West Michigan	
Job Title	Number
Registered Nurses	755
Heavy and Tractor-Trailer Truck Drivers	605
First-Line Supervisors of Retail Sales Workers	589
Retail Salespersons	550
Customer Service Representatives	426
Maintenance and Repair Workers, General	390
Industrial Engineers	385
First-Line Supervisors of Production and Operating	383
Helpers--Production Workers	305
Stock Clerks and Order Fillers	270

Source: The Conference Board, Help Wanted Online Database

- As of the 2<sup>nd</sup> quarter of 2017, approximately 19,600 jobs were advertised online in West Michigan, according to the Conference Board’s Help Wanted Online Database. This is a decline of 4,300 ads since 1<sup>st</sup> quarter 2016. **(Table 17)**
- Among major occupational categories, the largest number of jobs were in *Sales and related occupations*, followed closely by *Office and administrative support* accounting for two-thirds (34 percent and 31 percent, respectively) of all job ads. **(Table 17)**
- The top job advertisements were in *Registered nurses*, *Heavy and tractor-trailer truck drivers*, and *First-line supervisors of retail sales workers*. **(Table 18)**

# Professional jobs will compose largest share of all jobs by 2024.

**Projected 2024 Distribution of Jobs by Broad Occupational Groups**



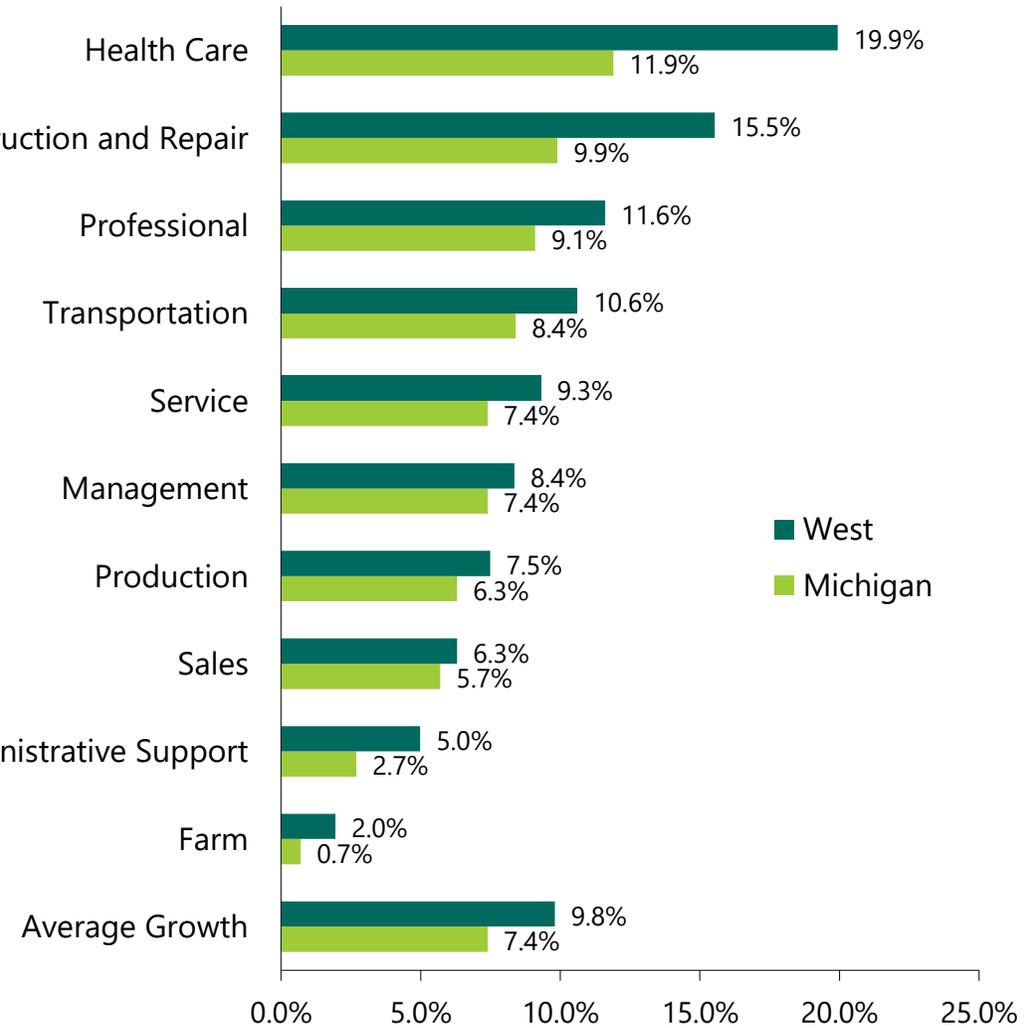
Source: Bureau of Labor Market Information and Strategic Initiatives

- The projected ranking of jobs by size in 2024 is similar to those calculated in the 2022 projections, with the exception of *Sales*, which replaced *Health care* in the top five.
- The largest projected share of jobs in West Michigan among broad occupational groups will come from *Professional* occupations by year 2024 (18 percent). These jobs will also account for the largest portion of occupations in Michigan overall (20 percent). **(Table 19)**
- Jobs in *Service* and *Production* are estimated to compose the second and third largest occupation groups with 15 and 13 percent of the share of total jobs in the West Michigan region respectively. *Administrative support* is projected to represent 13 percent of jobs. **(Table 19)**
- The remaining six occupational groups will make up less than 10 percent of jobs, but will comprise about 40 percent of the total number of jobs. **(Table 19)**

# Professional, Health care and Service occupations projected to have highest percent growth through 2024.

Projected Percent Growth by Broad Occupational Groups (2014-2024)

- Of the five fastest growing occupations, *Professional*, *Health care*, and *Construction and repair* remained on the list from two years ago. *Professional* occupations increased in ranking, while *Health care* remained at the top. *Farm* and *Production* occupations dropped below the top five and were replaced by *Transportation* and *Service* occupations. **(Table 19)**
- Employment in all occupational groups in West Michigan are projected to grow above the statewide rate. **(Table 19)**
- The largest numeric increase in jobs will come from *Professional* occupations increasing by 15,200 jobs (11.6 percent). *Health care* jobs are projected to have the 2<sup>nd</sup> largest numeric increase (11,800) followed by jobs in *Service* (10,300) then *Construction* (8,200). **(Table 19)**

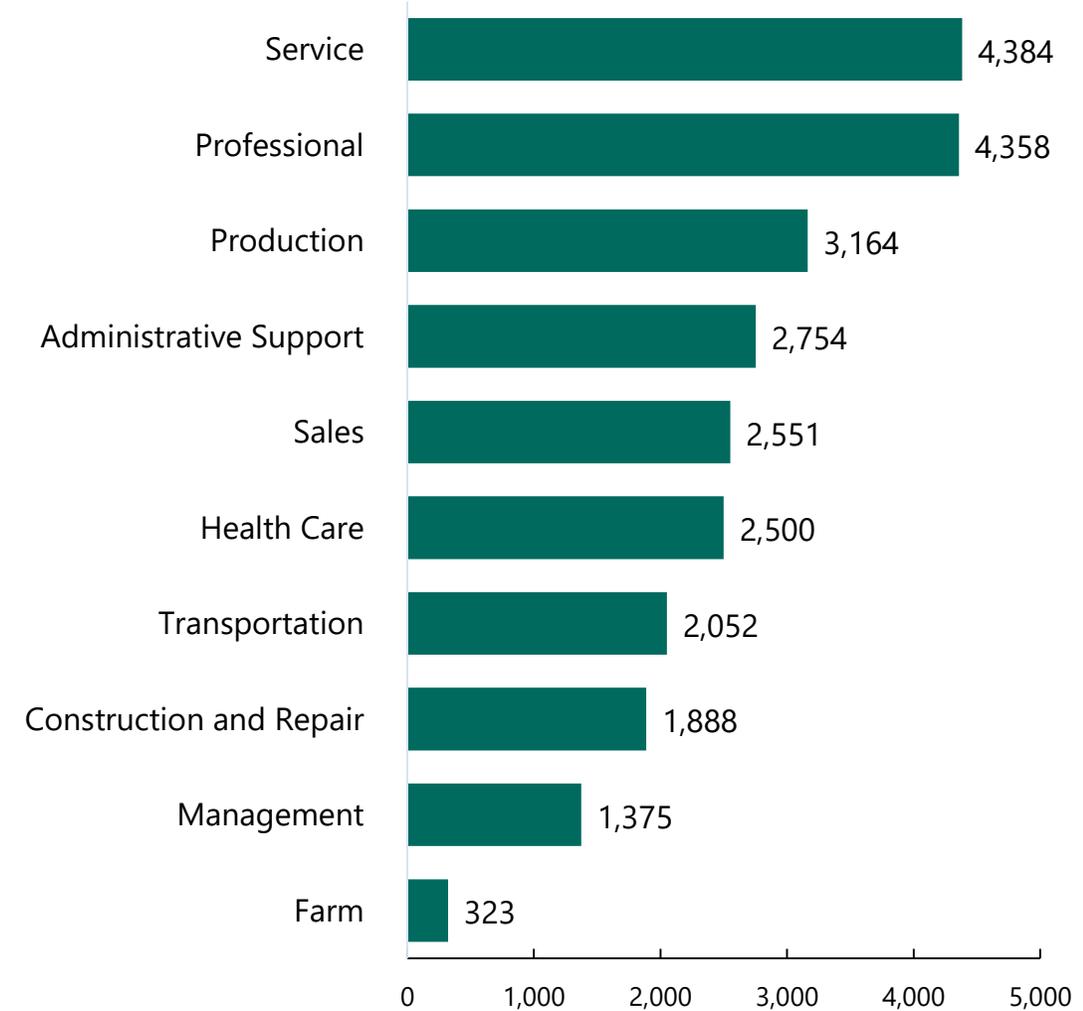


Source: Bureau of Labor Market Information and Strategic Initiatives

# Professional and Service jobs expected to see largest annual openings.

- The list of top projected occupational annual openings remained the same as compared to the previous projections data. **(Table 19)**
- Because of the need to replace workers who are retiring or otherwise leaving the occupation in the area, the largest groups are projected to see the most annual openings through 2024. All of the occupational groups are expected to see replacement rates of 50 percent or greater. The lowest replacement rates are in *Health care* (52 percent) and *Construction* (56 percent). **(Table 19)**
- *Service* occupations are expected to have the greatest number of annual openings (4,440) followed by *Professional* occupations. **(Table 20)**

Projected Annual Openings by Broad Occupational Groups (2014 – 2024)

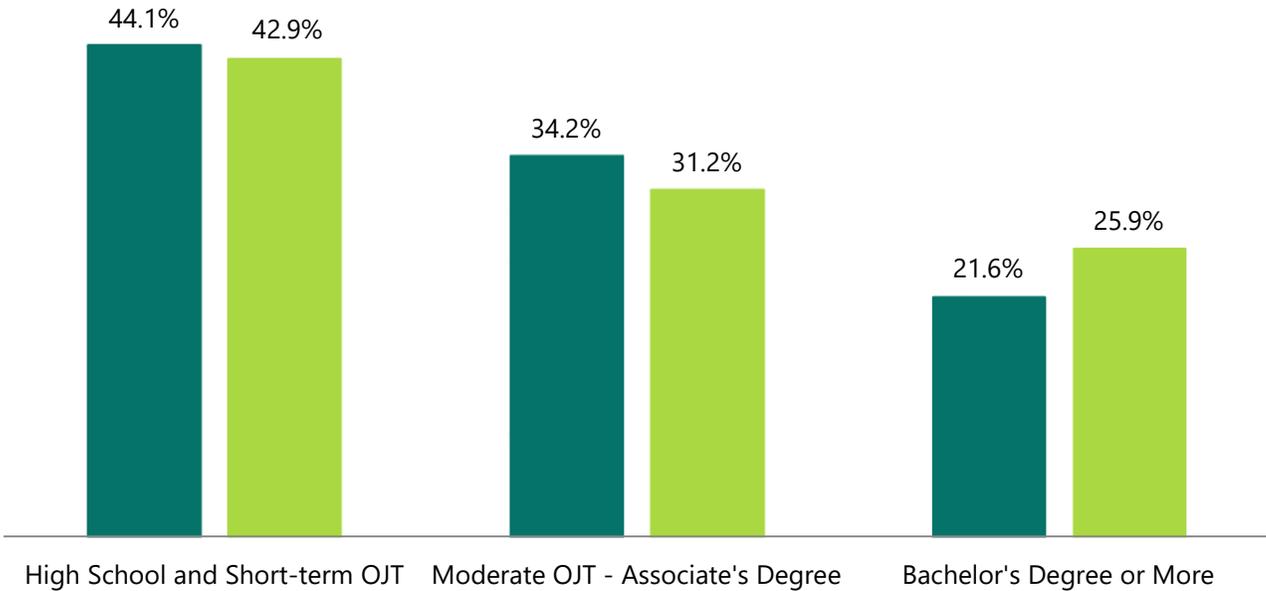


Source: Bureau of Labor Market Information and Strategic Initiatives

# Jobs in West Michigan will require similar levels of education as compared to Michigan overall in 2024.

Projected 2024 Occupational Employment by Education (Share of Total)

■ West ■ Michigan

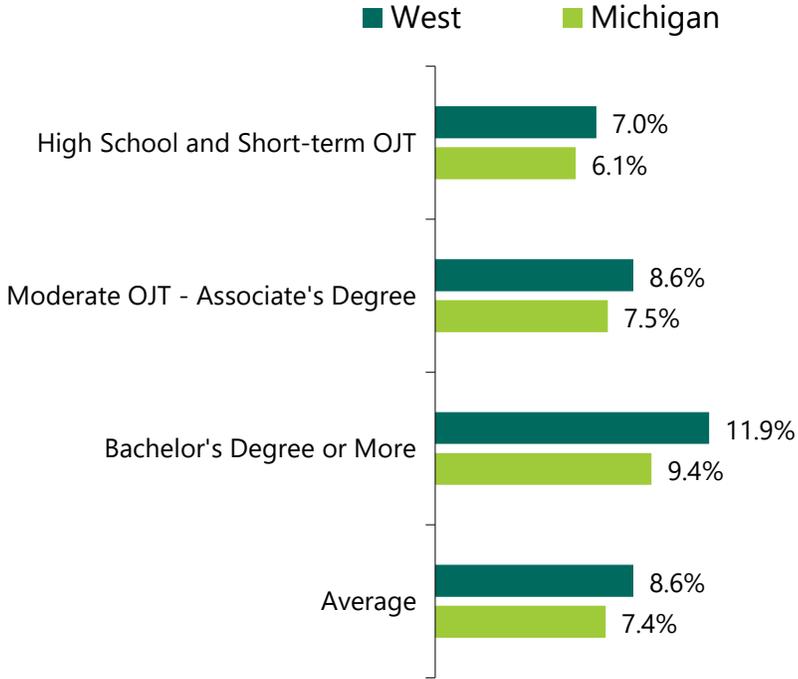


Source: Bureau of Labor Market Information and Strategic Initiatives

- The projected amount of education required by occupations in West Michigan in 2024 generally follows the state overall.
- By 2024, 43 percent of Michigan’s jobs will need only a high school diploma or less, with short-term to no on-the-job training, while 44 percent of West Michigan’s jobs will require the same level.
- Close to 1 in 3 jobs will require an associate’s degree, post-secondary training, some college with no degree, or a high school diploma or less accompanied with an extended period (six months or more) of apprenticeship and/or on-the-job training.
- Positions requiring a bachelor’s degree or more are projected to comprise a little under a quarter of regional jobs in 2024.

# Positions requiring a bachelor's degree or more expected to see the most growth in the region by 2024.

Projected Occupational Growth by Education



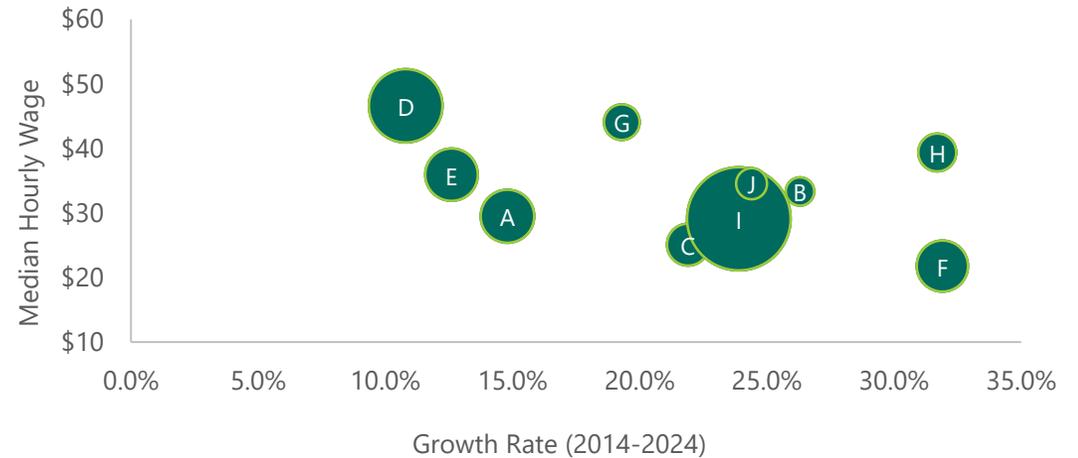
- Occupations requiring a bachelor's degree or more in West Michigan are projected to exceed the Michigan average growth rate through 2024, expanding by 12 percent. This group contains many of the fastest-growing *Professional* occupations for the region such as those in management, healthcare, and education. Michigan's overall growth rate in this category is expected to be 9.4 percent.
- Job growth for education beyond high school exceeds the statewide and West Michigan average.
- Jobs that require a high school degree and short-term on-the-job training will see the smallest growth. In fact, the growth rate (7.0 percent) is under the average growth rate of 7.4 percent for total employment in Michigan.

Source: Bureau of Labor Market Information and Strategic Initiatives

# Many skilled trades and jobs requiring a bachelor's degree among the region's high-demand, high-wage occupations.

- High-demand, high-wage occupations are jobs that demonstrate a favorable mix of long-term job growth, annual openings from both growth and replacement, and median wages. **(Tables 23-26)**
- In general, occupations with a large employment base create many job openings due to the need to replace workers (size of the bubble on the chart). These include *Registered Nurses, General and operations managers, and Industrial engineers.* **(Tables 23-26)**
- Levels of pay are directly correlated with the level of formal education and/or the length of job training or apprenticeship, driving a trend of higher-training occupations appearing on the list of high-demand, high-wage occupations. **(Tables 23-26)**

Annual Openings, Growth Rate, and Hourly Wage for High-Demand, High-Wage Occupations



	Occupation		Occupation
A	Accountants and Auditors	F	Industrial Machinery Mechanics
B	Electrical Power-Line Installers and Repairers	G	Medical and Health Services Managers
C	Electricians	H	Physical Therapists
D	General and Operations Managers	I	Registered Nurses
E	Industrial Engineers	J	Software Developers, Applications

Source: Bureau of Labor Market Information and Strategic Initiatives

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